

PROVINCE OF SASKATCHEWAN



10-11

ANNUAL REPORT

**MINISTRY OF JUSTICE AND
ATTORNEY GENERAL**

Law Reform Commission
of Saskatchewan

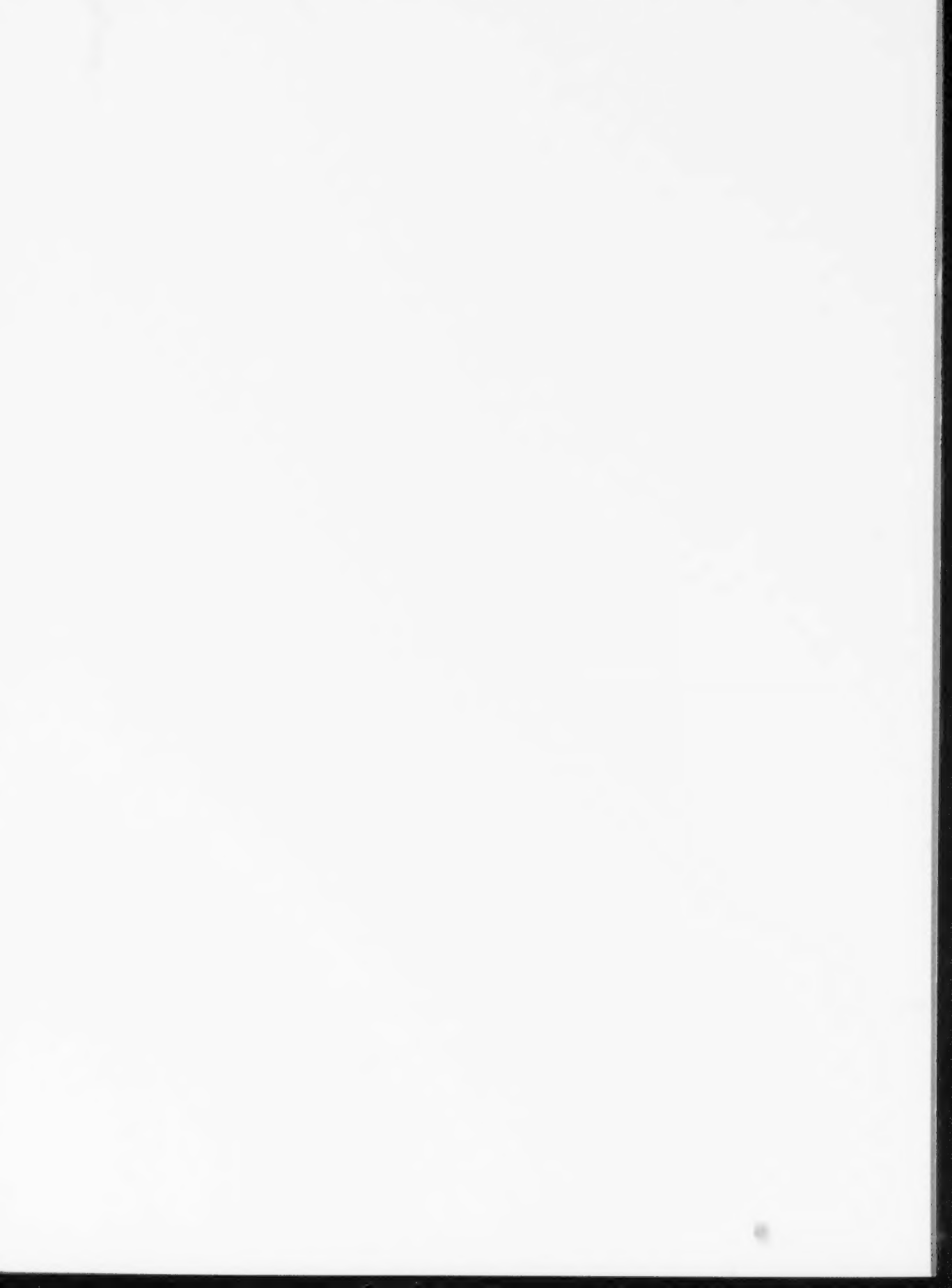


Table of Contents

Letters of Transmittal	3
About the Commission	4
Objectives	4
The Commissioners and Staff	4
Contact Information	4
Previous Members of the Commission	5
Financial Information	5
Research Program and Activities	6
Consideration of Current Law Reform Issues	6
Implementation of Recent Projects	6
Citation of Commission Reports by the Courts	6
Research Program 2010-11	7
Completed Projects	7
Ongoing Work of the Commission	7
New Projects for 2011	8
Management's Responsibility for the Financial Statements	9
Financial Statements	9

This annual report is also available in electronic format from the Ministry's website at
www.justice.gov.sk.ca

Letters of Transmittal



His Honour the Honourable Dr. Gordon L. Barnhart
Lieutenant Governor, Province of Saskatchewan

May it Please Your Honour:

I have the honour of submitting the Annual Report of the Law Reform Commission of Saskatchewan for the fiscal year ending March 31, 2011.

A handwritten signature in cursive script that reads "Don Morgan".

Don Morgan, Q.C.
Minister of Justice and Attorney General



The Honourable Don Morgan, Q.C.
Minister of Justice and Attorney General

Dear Sir:

I have the honour of submitting the Annual Report of the Law Reform Commission of Saskatchewan for the fiscal year ending March 31, 2011.

A handwritten signature in cursive script that reads "Donald H. Layh".

Donald H. Layh, Q.C.
Chair

About the Commission

Objectives

The Law Reform Commission of Saskatchewan was established by *An Act to Establish a Law Reform Commission*, proclaimed in force in November 1973, and began functioning in February 1974.

The Law Reform Commission Act provides that:

The Commission shall take and keep under review all the law of the province, including statute law, common law and judicial decisions, with a view to its systematic development and reform, including the codification, elimination of anomalies, repeal of obsolete and unnecessary enactments, reduction in the number of separate enactments and generally the simplification and modernization of the law.

Topics for the Commission's research program are brought before meetings of the Commission for consideration. These topics may originate from a recommendation of the Minister of Justice and Attorney General (the Minister), the Commission and its staff, the judiciary, the legal profession, other professional organizations, or the public generally. Once the research study in a particular project is completed, the matter is placed before the Commission for discussion and consideration. The Commission may decide to issue background papers or tentative proposals for circulation to the public in order to obtain criticism and comment prior to the preparation of a final report. Consultations may entail public meetings, hearings and workshops. The Commission's recommendations are embodied in its final report to the Minister.

The Commission works closely with the Ministry of Justice and Attorney General (the Ministry) in formulating research projects and facilitating adoption of its proposals. The Commission has also made an ongoing contribution on behalf of the province to the national work of the Uniform Law Conference of Canada. Commissioners and the Director of Research have served as members of the Conference for many years.

The Commission is a member of the Federation of Law Reform Agencies of Canada.

The Commissioners and Staff

The Commissioners:

- Mr. Donald H. Layh, Q.C. Chair
Practising Lawyer
- Ms. Susan Amrud, Q.C.
*Saskatchewan Ministry of Justice
and Attorney General*
- Professor Ronald C. Cuming, Q.C.
(Chair from 1978-82)
*College of Law
University of Saskatchewan*
- Mr. Kenneth P. R. Hodges, Q.C.
(Chair from 1992-2000)
- The Honourable Georgina R. Jackson
Justice of the Court of Appeal for Saskatchewan
- Professor Michaela Keet
*College of Law
University of Saskatchewan*
- Mr. Michael Milani, Q.C.
Practising Lawyer

Contact Information:

The Commission can be contacted at:

Law Reform Commission of Saskatchewan
University of Saskatchewan
Room 209, College of Law
15 Campus Drive
SASKATOON SK S7N 5A6

Telephone (306) 966-1625
Fax (306) 966-5900

E-mail: director.research@sasklawreform.com

Previous Members of the Commission

- Professor Brian A. Grosman, Q.C. (Chair 1974-78)
- Professor R.C.C. Cuming, Q.C. (Chair 1978-82) and active member of the Commission
- Dr. D.A. Schmeiser, Q.C. (Chair 1982-87)
- Mr. Dale Linn, Q.C. (Chair 1987-92)
- Mr. Kenneth P.R. Hodges, Q.C. (Chair 1992-2000) and active member of the Commission
- Ms. Merrilee Rasmussen, Q.C. (Chair 2000-08)
- Ms. Kathleen Robertson (Chair 2008-09)
- The Honourable E.D. Bayda, Q.C. (1974-76) former Chief Justice of the Court of Appeal for Saskatchewan
- Mr. George J.D. Taylor, Q.C. (1974-82)
- The Honourable Marjorie A. Gerwing (1976-92) Justice of the Court of Appeal for Saskatchewan
- Mr. Gordon J. Kuski, Q.C. (1982-92)
- The Honourable Gene Anne Smith (1992-98) Justice of the Court of Appeal for Saskatchewan
- Ms. Gailmarie Anderson (1992-2001)
- The Honourable Dianne Morris (1992-02) former Judge of the Provincial Court of Saskatchewan
- Mr. Douglas Moen, Q.C. (2000-02)
- Mr. Alan McIntyre (2000-08)
- The Honourable Robert D. Laing (2003-06) Chief Justice of the Court of Queen's Bench
- Ms. Sarah Buhler (2003-08)
- Ms. Carole Lavalée (2003-09)
- Ms. Susan Bates (2003-09)

Financial Information

The Law Reform Commission is financed by annual grants from the Government of Saskatchewan and the Law Foundation of Saskatchewan. In the 2010-11 fiscal year, the Commission received a grant of \$60,000 from the Government of Saskatchewan (through the Ministry) and a grant of \$60,000 from the Law Foundation of Saskatchewan. (The Law Foundation grant is not reflected in the financial statements because it was not approved and received until late June 2011).

Commissioners, other than the judicial and provincial government representatives, receive honoraria from the Law Reform Commission of Saskatchewan based on the Order in Council by which they are appointed. The Chair receives \$235 per day when engaged in work of the Commission and Commissioners receive \$155 per day.

Research Program and Activities

Consideration of Current Law Reform Issues

Community and stakeholder involvement in the consultation process is vital in raising awareness of legal issues and law reform throughout Saskatchewan and Canada. Interested and engaged individuals and groups mean better input into the process of legal reform, resulting in more effective and appropriate recommendations by the Commission. In keeping with that goal, it is noteworthy that the Saskatchewan Law Reform Commission is referred to on approximately 60,400 web pages.

The Commission's work is directed towards legal reform in the best interests of the people of Saskatchewan. Additionally, the consultation process engages the public and stakeholders in the Commission's work, thereby educating them on the current and proposed state of the law. The Commission's work is driven by research. Local experts in many fields of practice may be engaged. Libraries across the country are richer for having publications by the Commission as part of their in-house materials. Law students have access to these papers through the library system, encouraging the use and maintenance of Saskatchewan's legal knowledge base.

In addition to legislative reforms that might be suggested by the Minister or by legal groups, the Commission seeks the contribution and input of all citizens of the Province. Current legal issues are followed. Calls to the Commission are encouraged. Next year will focus on securing strategic partnerships with community organizations, the University of Saskatchewan, students, and the public in order to better identify important and developing issues.

Implementation of Recent Projects

The Commission has worked closely with the Ministry in its review of several significant pieces of legislation in recent years, including *The Powers of Attorney Act*, *The Limitations Act*, *The Evidence Act*, and amendments to *The Administration of Estates Act*. The Commission also assisted the Ministry with the finalization of *The Trustee Act, 2009* that is based on its 2002 report, *Proposals for Reform of the Trustee Act* and its 1987 report, *Proposals Relating to the Rules Against Perpetuities and Accumulations*. The new Act came into force on January 1, 2010.

Specific provisions respecting reverse mortgages were included in *The Mortgage Brokerages and Mortgage Administrators Regulations* that came into force on October 1, 2010, based on the recommendations in the Commission's 2006 *Report on Reverse Mortgages*. This close collaboration will continue respecting the reform of residential foreclosure law, as the Minister has requested that the Commission undertake a project in this area.

In 2009, the Commission issued a consultation paper on administrative penalties. The paper included a discussion of the use of administrative penalties in Saskatchewan, the issues of process and fairness they raise, and suggested ways in which fairness might be ensured. *The Forest Resources Management Amendment Act, 2010* and *The Environmental Management and Protection Act, 2010* both incorporated the tentative recommendations made by the Commission. *The Management and Reduction of Greenhouse Gases Act* and *The Payday Loans Act* also followed the approach outlined in the paper.

Citation of Commission Reports by the Courts

Reports issued by the Commission continue to influence courts across the country in the determination of common law and statutory interpretation. A mark of success for the Saskatchewan Law Reform Commission is the number of times its reports and other publications have been referred to in judicial decisions of Saskatchewan courts and elsewhere in Canada and the Commonwealth. The Commission's work has been referred to in four administrative board and tribunal decisions and 84 reported court decisions. The court decisions include 54 Saskatchewan decisions (16 at the Court of Appeal) and two Supreme Court of Canada decisions, one of which is the 2010 landmark decision in *Bank of Montreal v. Innovation Credit Union*.

Research Program 2010-11

Completed Projects

Administrative Penalties: The Law Reform Commission undertook an examination of administrative penalties to identify ways to ensure fairness. In 2009, the Commission issued a consultation paper that included a discussion of the use of administrative penalties in Saskatchewan, the issues of process and fairness they raise, and suggested ways in which fairness might be ensured. Agencies that use administrative penalties and members of the Administrative and Labour Law Section of the Canadian Bar Association, Saskatchewan Branch provided valuable input.

Two administrative penalty provisions have been amended to incorporate the tentative recommendations made by the Commission,¹ and two newly created administrative penalties have also followed the approach taken by the Commission.²

The Commission is in the process of finalizing this report.

Administrative Appeals: In June 2009, the Commission issued a consultation paper, *Appeals from Exercise of Statutory Powers of Decision*. This paper reviewed the current law establishing appeal rights from decisions made by officials and tribunals and formulated a series of questions for discussion about the form and content these appeal provisions should have. Extensive comments were received from tribunals and agencies exercising statutory powers and from members of the Administrative and Labour Law Section of the Canadian Bar Association, Saskatchewan Branch.

The Commission is in the process of finalizing this report.

Renewing *The Privacy Act*: The Commission prepared and distributed a consultation paper in 2009 seeking a discussion on the tort of invasion of privacy and whether *The Privacy Act* could be used to better define the scope of the tort. The

Commission determined that *The Privacy Act* is potentially broad enough to encompass new threats to privacy as they emerge. However, the lack of specificity and certainty in the Act requires redress. The Commission is considering several changes in *The Privacy Act* to ensure that it is a more effective complement to more specific legislation, a better tool for litigants, and a more effective statute.

The Commission is in the process of finalizing this report.

Ongoing Work of the Commission

Fraudulent Conveyances and Preferences: The Commission is working with the Uniform Law Conference on this issue. A report respecting fraudulent conveyances was presented to the Uniform Law Conference in September 2007. A report respecting fraudulent preferences was completed in August 2008. A Working Group prepared policy recommendations respecting fraudulent conveyances that were adopted by the Conference at its meeting in August 2009. At its meeting in August 2010, the Conference adopted the Working Group's final report on fraudulent conveyances.

Several reports on fraudulent conveyances and fraudulent preferences have been presented to the Uniform Law Conference of Canada and posted on the Commission's website as follows:

- *Reform of Fraudulent Conveyances and Fraudulent Preferences Law: Part I Transactions at Undervalue* (2007)
- *Reform of Fraudulent Conveyances and Fraudulent Preferences Law: Part II Preferential Transfers* (2008)
- *Progress Report: Reform of Fraudulent Conveyances and Fraudulent Preferences Law* (2009)
- *Transactions at Undervalue and Preferential Transfers: Report on Quebec Law* (2010)
- *Transactions at Undervalue and Preferential Transfers: Final Report* (2010)

A Draft Act and commentaries will be presented to the Conference in August 2011.

¹*The Forest Resources Management Amendment Act, 2010* (S.S. 2010, chapter 13), and *The Environmental Management and Protection Act, 2010* (S.S. 2010, chapter E-10.22).

²*The Management and Reduction of Greenhouse Gases Act* (S.S. 2010, chapter M-2.01), and *The Payday Loans Act* (S.S. 2007, chapter P-4.3).

Crown Immunity: A consultation report will be finalized in the summer of 2011 and distributed to Law Society members, Ministry lawyers, law professors and the Canadian Bar Association Legislation and Law Reform Committee, and Business Law and Civil Litigation sections.

Civil Rights in Seniors' and Special Care Homes: In August 2010, a consultation paper was distributed to 150 special care homes and 20 other stakeholders, including seniors organizations, health organizations, the Ombudsman and the Canadian Bar Association Elder Law sections. The consultation paper focused on violations of the rights of residents, particularly when they do not involve physical abuse, and particularly when they may not be effectively addressed by existing protocols designed to deal with more blatant forms of abuse, for example, the right to autonomy and privacy. A final report will be issued in fall 2011.

Needy Person Certificates and Fee Waivers: As the costs of litigation and other legal services rise, concern about financial barriers to access to justice is increasing. Pro Bono Law Saskatchewan and the Law Society of Saskatchewan asked the Commission to undertake a project that focused on the administration of Needy Person Certificates and more broadly, access to court and tribunal fee waivers for indigent members of the public. The Commission partnered with the Canadian Bar Association Access to Civil Justice project in preparing a consultation paper in 2011. The consultation paper describes Needy Person Certificates and other fee waiver policies in Saskatchewan courts and tribunals. Problems in the present system are identified and discussed. The Commission hopes that discussion of the questions raised about fee waivers in this paper will provide the foundation for reforms that will contribute to wider access to justice for the less advantaged members of our community.

New Projects for 2011-12

Commercial Tenancies: At the 2010 meeting of the Uniform Law Conference of Canada, the Commission undertook to chair a working group to review existing commercial tenancies legislation and case law and address the need for a uniform statute. The working group strategy is to modernize and harmonize commercial tenancies law in Canada, with a view to creating a comprehensive framework of statute law that will make it easier to do business in Canada, resulting in direct benefits to Canadians and the economy as a whole.

This project will consider what should be included in a modern commercial tenancies statute. Background research has begun, and the Commission has agreed to develop a project plan that will be presented to the 2011 meeting of the Uniform Law Conference, for their consideration and input.

Mortgages & Foreclosures: The Commission received a referral from the Minister to review and recommend changes to Saskatchewan's laws related to residential foreclosure and, in particular, the provisions of *The Land Contracts (Actions) Act*.

On completion of the residential foreclosure project, the Commission will complete a study, to be titled "Mortgage Law in Saskatchewan: From Charge to Remedies," with the stated objective to create a comprehensive statement of mortgage law in Saskatchewan.

Social Policy Projects: In order to ensure a balanced approach in legislative review and content, the Commission will undertake a special project in social policy. A number of ideas have been presented and are being explored.

Electronic copies of recent Commission publications are available on the Commission's website, at www.lawreformcommission.sk.ca.

Financial Statements

Management's Responsibility for the Financial Statements

Management is responsible for the integrity of the financial information reported by the Law Reform Commission of Saskatchewan. Fulfilling this responsibility requires the preparation and presentation of financial statements and other financial information in accordance with Canadian generally accepted accounting principles. These recommendations are consistently applied, with any exceptions specifically described in the financial statements.

The accounting systems used by the Commission include an appropriate system of internal controls to provide reasonable assurance that:

- transactions are authorized;
- the Commission's assets are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other information; and
- the accounts are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other financial information.

To ensure management meets its responsibilities for financial reporting and internal control, the members of the Law Reform Commission of Saskatchewan discuss audit and reporting matters with representatives of management at regular meetings. The members of the Commission have also reviewed the financial statements with representatives of management.

The Provincial Auditor of Saskatchewan has audited the Law Reform Commission of Saskatchewan's statement of financial position as at March 31, 2011, and the related statements of operations and changes in net assets and cash flows for the year then ended.

The Provincial Auditor's responsibility is to express an opinion on the fairness of management's financial statements. The Auditor's Report outlines the scope of the audit and the Provincial Auditor's opinion.

Donald H. Layh, Q.C.
Chair

The financial statements on the following pages provide an account of the financial activities of the Law Reform Commission of Saskatchewan for the fiscal year ended March 31, 2011.

LAW REFORM COMMISSION OF SASKATCHEWAN

FINANCIAL STATEMENTS

For the Year Ended March 31, 2011



Provincial Auditor Saskatchewan

1500 Chateau Tower
1920 Broad Street
Regina, Saskatchewan
S4P 3V2

Phone: (306) 787-6398
Fax: (306) 787-6383
Web site: www.auditor.sk.ca
Internet E-mail: info@auditor.sk.ca

SASKATCHEWAN

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of the Law Reform Commission of Saskatchewan, which comprise the statement of financial position as at March 31, 2011, and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2011, and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
June 27, 2011

Bonnie Lysyk, MBA, CA
Provincial Auditor

Statement 1**LAW REFORM COMMISSION OF SASKATCHEWAN
STATEMENT OF FINANCIAL POSITION
As at March 31**

	<u>2011</u>	<u>2010</u>
ASSETS		
Current		
Cash	\$ 44,107	\$ 69,845
Short-term investments (Note 3)	100,000	100,399
Accounts receivable	50	461
Prepaid expense	<u>438</u>	<u>1,643</u>
Total Assets	<u>\$ 144,595</u>	<u>\$ 172,348</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued liabilities	<u>\$ 1,815</u>	<u>\$ 847</u>
Net Assets		
Unrestricted net assets	<u>142,780</u>	<u>171,501</u>
Total Net Assets (Statement 2)	<u>142,780</u>	<u>171,501</u>
Total Liabilities and Net Assets	<u>\$ 144,595</u>	<u>\$ 172,348</u>

(See accompanying notes to the financial statements)

**LAW REFORM COMMISSION OF SASKATCHEWAN
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
Year Ended March 31**

	Budget (Note 6)	2011	2010
Revenue			
Ministry of Justice and Attorney General - grant	\$ 60,000	\$ 60,000	\$ 60,000
Law Foundation - grant (Note 5)	50,000	---	50,000
Interest and miscellaneous	<u>545</u>	<u>508</u>	<u>530</u>
	<u>110,545</u>	<u>60,508</u>	<u>110,530</u>
Expenses			
Salaries and employee benefits	73,414	54,708	72,954
Contract labour	---	11,670	---
Conference and travel	7,625	9,716	3,561
Consulting fees	4,000	4,000	---
Commissioners' honoraria	3,900	3,362	1,979
Office supplies and services	500	2,760	2,856
Professional fees	1,696	1,378	1,774
Office rent	---	350	---
Miscellaneous	<u>1,077</u>	<u>1,285</u>	<u>1,479</u>
	<u>92,212</u>	<u>89,229</u>	<u>84,603</u>
(Deficit) excess of revenues over expenses	<u>\$ 18,333</u>	(28,721)	25,927
Net assets, beginning of year		<u>171,501</u>	<u>145,574</u>
Net assets, end of year		<u>\$ 142,780</u>	<u>\$ 171,501</u>

(See accompanying notes to the financial statements)

Statement 3

**LAW REFORM COMMISSION OF SASKATCHEWAN
STATEMENT OF CASH FLOWS
Year Ended March 31**

	<u>2011</u>	<u>2010</u>
Cash flows from (used in) operating activities		
Ministry of Justice and Attorney General - grant	\$ 60,000	\$ 60,000
Law Foundation - grant	---	50,000
Interest and miscellaneous revenue	920	536
Cash paid to suppliers and employees	<u>(87,057)</u>	<u>(84,758)</u>
Cash (used in) provided by operating activities	<u>(26,137)</u>	<u>25,778</u>
Cash flows from (used in) investing activities		
Purchase of short-term investments	(100,000)	(100,399)
Proceeds from disposal and redemption of investments	<u>100,399</u>	<u>100,000</u>
Cash provided by (used in) investing activities	<u>399</u>	<u>(399)</u>
(Decrease) increase in cash	(25,738)	25,379
Cash, beginning of year	<u>69,845</u>	<u>44,466</u>
Cash, end of year	<u>\$ 44,107</u>	<u>\$ 69,845</u>

(See accompanying notes to the financial statements)

**LAW REFORM COMMISSION OF SASKATCHEWAN
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2011**

1. Incorporation

The Law Reform Commission Act was amended effective November 6, 1987. At that date the Commission became a body corporate and continued the operations of the Law Reform Commission of Saskatchewan.

The purpose of the Commission is to review all the laws of the Province with a view to its systematic development and reform and generally the simplification and modernization of the law.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations and include the following significant accounting policies:

a) Revenue Recognition

The Commission follows the deferral method of accounting and recognizes unrestricted contributions as revenue when received or receivable.

b) Financial Instruments

Classification

The Commission's financial instruments and their classification are as follows:

<u>Financial Instrument</u>	<u>Classification</u>
Cash	Held for trading
Short-term investments	Held for trading
Accounts receivable	Loans and receivables
Accounts payable and accrued liabilities	Other financial liabilities

Held for trading financial assets and liabilities are measured at fair value and changes in their fair value are recognized in the Statement of Operations and Changes in Net Assets. Transaction costs are expensed as incurred for financial instruments classified as held-for-trading. Loans and receivables and other financial liabilities are measured at amortized cost. Due to their short-term nature, the amortized cost of these instruments approximates their fair value.

Significant terms and conditions

There are no significant terms and conditions related to the financial instruments that may affect the amount, timing and certainty of future cash flows.

Interest rate risk

The Commission is exposed to interest rate risk when the value of its financial instruments fluctuates due to changes in market interest rates.

The Commission does not have any long-term investments that may be affected by market pressures.

The Commission's receivables and payables are non-interest bearing.

Credit risk

The Commission is exposed to credit risk from potential non-payment of accounts receivable or investment income and principal.

The Commission rarely has accounts receivable. Most of the Commission's receivables are from provincial agencies, federal government and commission members; therefore credit risk is minimal.

All investments are purchased from and held with major banks; therefore, credit risk for investments and related accrued interest receivable is minimal.

c) Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date the financial statements and the reported amounts of revenue and expenses during the period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

d) Future Accounting Policy Change

In September 2010, the Public Sector Accounting Board approved an amendment to the introduction to the Public Sector Accounting Handbook. Effective for fiscal years beginning on or after January 1, 2012, government not-for-profit organizations are directed to use either the public sector accounting standards or public sector accounting standards for government not-for-profit organizations. The Commission is currently assessing the appropriateness and potential impact of the change in accounting standards on its financial statements for the year ending March 31, 2012.

3. Short-term Investments

Short-term investments consist of a guaranteed income certificate with an effective interest rate of 1.3% (2010 – 0.2%).

4. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to the Commission by virtue of common control by the Government of Saskatchewan and non-Crown agencies subject to joint control and significant influence by the Government of Saskatchewan (collectively referred to as related parties).

Routine operating transactions with related parties are recorded at agreed upon exchange amounts and settled under normal trade terms.

Other related party transactions at year-end are as follows:

	<u>2011</u>	<u>2010</u>
Accounts payable and accrued liabilities		
Queen's Printer	\$ 1,388	\$ ---
Operating revenues		
Ministry of Justice and Attorney General	60,000	60,000
Queen's Printer	259	128
Operating expenses		
Saskatchewan Workers' Compensation Board	249	203
Queen's Printer	1,388	---
University of Saskatchewan	350	---

In addition, the Commission pays Provincial Sales Tax to the Ministry of Finance on all its taxable purchases. Taxes paid are recorded as a part of the cost of those purchases.

5. Law Foundation Grant

The Commission did not receive a grant in 2010-11 from the Law Foundation of Saskatchewan (2009-10 – \$50,000).

6. Budget

The Commission approved the 2010-11 budget on December 17, 2010.